August 9, 2006

RE:

400 Texas Street, Suite 1400 Shreveport, LA 71101 Firm: 318.221.6858

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Mailing Address: P.O. Drawer 1126

P.O. Drawer 1126 Shreveport, LA 71163-1126

WM. TIMOTHY ALLEN, 111

Direct: 318.934.0217 Email: tallen@bwor.com

Honorable James H. Welsh Commissioner of Conservation State of Louisiana Post Office Box 94275 Baton Rouge, Louisiana 70804-9275

HEARING APPLICATION
Cotton Valley Zone, Reservoir A
Simsboro Field
Lincoln Parish, Louisiana
Our File No. 230765.91

Dear Sir:

On behalf of CHESAPEAKE OPERATING, INC., application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the Cotton Valley Zone, Reservoir A, in the Simsboro Field, Lincoln Parish, Louisiana:

- 1. To permit Applicant to drill, designate and utilize substitute unit wells for CV RA SUB, CV RA SUC, CV RA SUD and CV RA SUE, and an alternate unit well for CV RA SUC, at the locations shown on the plat attached hereto and made a part hereof, and to grant such exceptions to the well spacing provisions of Office of Conservation Order No. 222-M. effective May 30, 2006, as are necessary with respect thereto;
- 2. To explicitly find that the proposed substitute unit wells and alternate unit well are necessary to drain a portion of the Cotton Valley Zone, Reservoir A, in the Simsboro Field underlying the respective units referenced above, which cannot be efficiently and economically drained by any existing well in such units;
- 3. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Cotton Valley Zone, Reservoir A, in the Simsboro Field, Lincoln Parish, Louisiana is defined in Office of Conservation Order No.222-M, effective May 30, 2006.

Pertinent data concerning the intended application will be made available for inspection at the offices of Blanchard, Walker, O'Quin & Roberts, Chase Tower, 400 Texas Street, Shreveport, Louisiana 71163-1126. Any person wishing to inspect such data should call Wm. Timothy Allen III at (318) 221-6858 during normal business hours or write Mr. Allen at the above address, in order to arrange a date and time for such inspection. A copy of any such pertinent data can be obtained at the expense of the requesting party.

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A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Rules of Procedure) is attached hereto, and a copy of this notice, with the annexed plats, is being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons to whom this notice must be sent under the Rules of Procedure.

The Rules of Procedure of the Commissioner of Conservation pertaining to the Pre-Application Notice requirements, are not applicable to the hearing requested herein, which requires legal notice of only ten (10) days.

A check in the amount of \$3,020.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation and to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

Very truly yours,

BLANCHARD, WALKER, O'QUIN & ROBERTS

By:

WTAIII:kml Enclosures Wm. Timothy Allen III
Attorneys for Chesapeake Operating, Inc.

CC:

Mr. James C. Broussard, Shreveport

District Manager (w/enclosures)

CC:

Interested Owners, Represented Parties and Interested Parties (w/copy of plat only)

